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IAC-M-3

2 November 1950

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 2 November 1950

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Director of Central Intelligence
Lieutenant General Walter Bedell Smith
Presiding

MEMBERS PRESENT

Mr. W. Park Armstrong, Jr., Special Assistant, Intelligence,
Department of State
Major General A. R. Bolling, Assistant Chief of Staff, G-2,
Department of the Army
Rear Admiral Felix L. Johnson, Director of Naval Intelligence
Major General Charles P. Cabell, Director of Intelligence,
Headquarters, United States Air Force
Dr. Walter F. Colby, Director of Intelligence, Atomic Energy
Commission
Brigadier General Vernon E. Megee, Deputy Director for
Intelligence, The Joint Staff
Mr. Victor P. Keay, acting for Assistant to the Director,
Federal Bureau of Investigation

ALSO PRESENT

Mr. William H. Jackson, Central Intelligence Agency
Mr. Ludwell L. Montague, Central Intelligence Agency
Mr. Allan Evans, Department of State
Brigadier General John Weckerling, Department of the Army
Colonel Hamilton H. Howze, Department of the Army
Rear Admiral Carl F. Espe, Department of the Navy
Captain John M. Ocker, USN, Department of the Navy
Captain Ray E. Malpass, USN, Department of the Navy
Colonel Edward H. Porter, Department of the Air Force
Lieut. Colonel John C. Marchant, Department of the Air Force
Captain R. G. McCool, USN, The Joint Staff

Acting Secretary
Mr. James Q. Reber
Central Intelligence Agency

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Approval of Minutes

1. The minutes of the meeting of 26 October were approved subject to:
 - a. The addition of the name of Dr. Colby among the members present.
 - b. The revision of the sentence at the top of page 4 in parentheses to read as follows: "This should be construed to include the effect on other countries of South East Asia of Communist domination of Indochina."

Review of Estimate Priorities List

2. Action: Agreed that there should be prepared regional groupings of proposed national intelligence estimates (embracing those set forth in IAC-M-1, paragraph 2 and those listed in IAC-D-1). Priorities within regional groupings will be established in order to permit better distribution of the work load in the agencies. The members' suggestions should be submitted to Dr. Montague. The final listing will be determined by the Director of Central Intelligence on the basis of interests of the greatest number. Dr. Montague will prepare a draft terms of reference for each estimate prior to inter-agency consultation. These terms of reference will be considered by the IAC.

National Estimate on the Philippines (Draft NIE-1)

3. Action: Agreed on the draft estimate as revised 31 October with the following changes:
 - a. Insert a new paragraph 2 setting forth background information on the Huks to be drawn from the recent estimate on the Philippines. This paragraph will also make reference to sabotage potential.
 - b. Paragraph 3, page 4, first sentence change: "20,000" to "25,000," and rewrite the second line as follows: "... presently engaged in internal security missions, the bulk employed against the Huks."

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4. Action: Further agreed that about 1 December this estimate should be re-examined under the new title "Prospects for Imminent Communist Armed Action in the Philippines."

Capabilities and Intentions of Chinese Communists in Korea

5. Action: Agreed that there should be prepared a crisis estimate regarding capabilities and intentions of the Chinese Communists to intervene in North Korea and the scope of such intervention if any. It was understood that the military services are currently engaged in the preparation of an estimate on this question for General Marshall and that their preparations will be made available to Dr. Montague for collaborative action on Friday, 3 November. A tentative target date of the first of next week for completion of the estimate was agreed upon.

6. Discussion: General concern was expressed with regard to the lack of clarity in this morning's telecon with General Willoughby with respect to Chinese participation in North Korea. While it was recognized that information which might be received during the next few days would tend to clarify the question of Chinese participation, it was felt to be an urgent matter to prepare a national estimate outlining the possibility of and probable extent of participation of the Chinese with respect to the specific objectives. It was noted in this connection that the earlier estimate had dealt with the probabilities of full-scale Chinese involvement.

7. General Smith read a memorandum which he had given to the President indicating his belief that the Chinese Communists would become involved for limited objectives. He indicated that despite the lack of clarity in the reports from the field there was a responsibility incumbent upon himself and the other agencies to take a reading of this question.

8. It was explained that the estimate being prepared for General Marshall is intended as a basis for possible U.S. official notice of and possible U.S. protest regarding the Communist intervention and that it would also likely be incorporated in General MacArthur's report to the United Nations.

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Comparison of US-USSR Military and Industrial Strength

9. Action: As a cooperative effort the members will prepare a graphic presentation showing the comparable strength of the US, the UN, the USSR and its Satellites with respect to military and industrial strength, these charts to be prepared in convenient format for the use of the members and their superiors. It was understood that suitable work in this respect has already been completed by the State and Military Departments. It was further understood that this project should be given prompt attention in view of anticipated requests from policy planning officers in the Government. Dr. Montague will consult with appropriate officials in the member agencies to move ahead on this project.

Future Meetings

10. Action:

a. The next meeting will be held at 1100, Thursday, 9 November.

b. Meeting of 9 November will consider the national estimate on Soviet Intentions and Capabilities which is now being edited.

c. Estimate on Indochina is scheduled for 16 November. It is understood that comments of the members on the terms of reference for this estimate should be transmitted to Dr. Montague.

d. Because of more urgent estimates it is understood that there will be no great harm in delaying full-scale work on the Yugoslavia estimate for a week, though it is considered an urgent estimate.

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N.B. Intelligence Advisory Committee Progress Reports

The progress report on national estimates from which General Smith read will be issued as the first of a new series entitled "Intelligence Advisory Committee Progress Reports."

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